

Department of Environmental Services City Hall Room 300B, 30 Church Street Rochester, New York 14614-1290 www.cityofrochester.gov



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NUMBER 5.6

FLEET MANAGEMENT POLICY / PROCEDURE

SUBJECT: **Monthly Chargeback Process**

M Quattromo APPROVED:

Michael Quattrone, Fleet Manager

PURPOSE: Document the monthly chargeback process to recover operational

expenses by billing customers through the charge back system.

PROCEDURE: The department sets a goal yearly to recover operational expenses.

The recovery percentage is calculated after the close of the fiscal year.

Preface: Once a year the fully burdened labor rate, parts and fuel mark up, and contract fees are recalculated based on the proposed budget

information.

Once that is finalized the new rates are put in the FASTER System at the start of the new budget year.

The FASTER Fleet Management System is a tool intended to track all aspects of shop and fleet business. It is designed around the work order and captures costs such as labor, parts, sublets, and repairs.

The FASTER System has 6 basic operational applets:

- Equipment Inventory tracks fleet equipment and information
- Parts Inventory tracks all information associated with parts inventory
- Parts Processing tracks parts movement, including orders, issues, and receipts

Phone: 585.428.6855 Fax: 585.428.6010 TTY: 585.428.6054 EEO/ADA Employer Operational Costs – tracks fuel entries, with equipment numbers, meter reads and costs

 Technician Work Station – Technicians use this applet on the shop floor to keep track of work in real time

 Work Orders – tracks all work done, parts issued, and repairs for equipment.

Each piece of equipment is assigned to a department.

1. Work Orders for equipment repairs are initiated in the Control Center.

2. Labor is charged to the Work Order at the fully burdened labor rate as the repair is completed.

3. Parts are issued as needed to the Work Order at cost plus mark-up.

4. Fuel is charged to the equipment at cost plus mark-up using a fuel card assigned to the equipment.

5. Contract work is charged to the Work Order via a sublet at cost plus a work order fee.

6. Motor Pool use is charged to the department based on time used.

7. Once a month the billing is processed and the appropriate department gets a paper bill.

8. Expenses and billing is reviewed each year to assure cost recovery.

PREPARED BY: Lynne Kita, Accountant

DATE: August 3, 2010